

Exhibit 1

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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

3 -----x
4 IN RE CUSTOMS AND TAX
5 ADMINISTRATION OF THE KINGDOM
6 OF DENMARK
7 (SKATTEFORVALTNINGEN) TAX
8 REFUND SCHEME LITIGATION

18 MD 2865 (LAK)

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Trial

New York, N.Y.
January 21, 2025
9:35 a.m.

9 Before:

10 HON. LEWIS A. KAPLAN,

11 District Judge
12 -and a Jury-

13 APPEARANCES

14 HUGHES HUBBARD & REED LLP
15 Attorneys for Plaintiff SKAT
16 BY: MARC A. WEINSTEIN
17 WILLIAM MAGUIRE
18 NEIL OXFORD
19 JOHN MCGOEY

20 KOSTELANETZ LLP
21 Attorneys for Defendants Azalea Pension Plan, et al
22 BY: SHARON MCCARTHY
23 DANIEL C. DAVIDSON

24 WILMER CUTLER PICKERING HALE AND DORR LLP
25 Attorneys for Defendants Avanix Management LLC, et al
BY: PETER NEIMAN
ANDREW S. DULBERG
BRITTANY R. WARREN

Also Present: Camilla Laursen
Kelby Ballena - tech
John Christopher - tech

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R. Markowitz - Cross

1 Q. Mr. Markowitz, what kind of disclosures did you have to
2 make to U.S. authorities related to the level of trading and
3 the existence of foreign accounts?

4 A. We had to make significant disclosures to the U.S.
5 government for both the amount of trading we did on a monthly
6 basis, the holdings we had, and we also had to do certain tax
7 filings for the balances in our accounts in a foreign country
8 like the UK.

9 Q. And before you ever started trading in Denmark at all, what
10 did you know about the existence of those disclosure
11 requirements?

12 A. Either in late 2011, perhaps early 2012, I had received
13 from a number of law firms just courtesy memos that they would
14 send out, you know, people I knew, that highlighted and
15 summarized a new set of reporting requirements that arose out
16 of the great financial crisis of 2008 and 9.

17 They were generally referred to as TIC, T-I-C,
18 filings, which I think refer to treasury information, and I
19 can't recall what the C stands for. But we knew in 2011/2012
20 that if you were purchasing securities with or through foreign
21 custodians, you would -- it didn't have to be just foreign
22 securities, any securities. The treasury department and the
23 U.S. government wanted to have a record of that and knowledge
24 of that.

25 Q. Did that give you any pause about whether to pursue this

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R. Markowitz - Cross

1 trading strategy?

2 A. Absolutely not.

3 Q. Let's take a look at Defendants' Exhibit 3289, please.

4 A. I'm there.

5 Q. Do you recognize this document, sir?

6 A. I do recognize it.

7 Q. What is it?

8 THE COURT: Hold up. Hold up. What's the --

9 MR. WEINSTEIN: I'm going to have an objection, your
10 Honor.

11 THE COURT: What's the relevance?

12 I guess I better see you at sidebar.

13 MR. NEIMAN: Yeah, I'm happy to explain.

14 (Continued on next page)